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BETHESDA MD 20814

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Banks Reject Warning on Retail Loans

By YVETTE D. KANTROW

NEW YORK — Most bankers remain bullish on the consumer lending business even as regulators express concern about a recent surge in delinquency rates.

In the wake of remarks last week by Comptroller of the Currency Robert L. Clarke that his agency is beginning to scrutinize consumer-loan portfolios, most lenders said it remained business as usual at their institutions.

Citing the diversity of their portfolios, stringent credit policies, and the financial health of the American consumer, most lenders interviewed last week were perplexed by the urgency of Mr. Clarke's warning that consumer lending might succeed real estate as the next area of crisis for lenders.

"I really don't know what he's talking about," said James R. Daniel, president of Friendly Bank in Oklahoma City. Mr. Daniel said his bank's consumer loan portfolio is "cleaner than a houndstooth."

Some Are Concerned

While most bankers shared Mr. Daniel's optimism, some expressed concern about the consumer's continued penchant for borrowing. For these bankers, managing consumer-lending risk is becoming a priority.

"We have a leveraged consumer in the marketplace today," said George E. Kilguss, an executive vice president at Citizens Financial Group in Providence, R.I. "If we have a recession and unemployment escalates, we will have a serious problem."

Consumer lending is big business for commercial banks. The Federal Deposit Insurance Corp. reported that consumers owed \$726 billion to banks on mortgage, credit card, and other installment loans at Sept. 30. This debt — 22.5% of the banking

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INSIDE NEWS

FINANCE

BANK STOCKS SLID sharply on Friday, but the overall market kept them company this time. J.P. Morgan was hard hit, as were Wells Fargo, BankAmerica, and Banc One. *Page 24*

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CONSUMER



Peggy Turbett

PROTESTERS FROM the Union Theological Seminary gathered in front of a New York branch of Manufacturers Hanover to demonstrate against the company's ties to South Africa. *Page 6*

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completed days of nonstop meetings in New York to wrap up the Mexican debt-reduction accord. *Page 10*

REAL ESTATE

THE CALIFORNIA market is being watched closely for signs of weakness. Jittery investors have caused some state bank stocks to dip. *Page 8*

OTHER NEWS

ATLANTIC FINANCIAL Federal, a go-go Pennsylvania thrift, was seized by the OTS and put under Resolution Trust Corp. conservatorship. *Page 2*

MARYLAND MOVED to dissolve the agency that regulates its thrifts. *Page 2*

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Banks Jump Into the Market for Thrifts

The five largest deals*

Acquired thrift/ Acquiring bank	Assets (dollars in billions)
First Federal, Pittsburgh	\$3.1
PNC Financial Corp.	
University Federal, Houston	\$2.6
NCNB Corp.	
Hill Financial, Red Hill, Pa.	\$2.6
Meridian Bancorp.	
Gem Savings, Dayton, Ohio	\$1.6
National City Corp.	
Freedom S&L, Tampa, Fla.	\$1.6
NCNB Corp.	

*Spurred by bailout law

S&L assets acquired, by month



*Deals set pending passage of law
Source: BEI Golembe Inc.

Banks Buying S&Ls Faster Than Industry Perceives

By GORDON MATTHEWS

NEW YORK — From the tiny Mother Lode Savings Bank in Sacramento, Calif., to the sizeable Mid-State Savings Bank in Ocala, Fla., thrift institutions across the country are being snapped up by commercial banks.

Activity has reached a higher level than has generally been perceived in industry circles, where there has been much talk of the banks' reluctance to seize opportunities to buy thrifts.

While few major deals have been struck, the number of small transactions has mounted. In fact, banks have agreed to buy 55 thrifts with assets of \$20 billion — about 1.6% of the industry's total — under the provisions of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, according to

This is the first of a four-part series examining the impact of the thrift-bailout law.

data compiled by BEI Golembe Inc., the Washington-based consulting concern. (The deals are listed in a table beginning on page 20.)

Pace May Pick Up

The pace of acquisitions will almost certainly accelerate this year as banks grow more familiar with thrifts, and particularly after the Office of Thrift Supervision irons out unfinished regulations to guide the purchase of thrifts that are still mutual institutions.

Asked about the level of activity since the bailout law, most banking industry observers esti-

See **SWIFT** page 21

RTC Plans To Dispose Of 50 Thrifts In 1st Period

By BARBARA A. REHM

WASHINGTON — The Resolution Trust Corp. said on Friday that it plans to liquidate or sell 50 thrifts during the first quarter. But even its own chairman, L. William Seidman, says it cannot meet its goal without additional funding from the government.

Mr. Seidman has been saying for months that the RTC does not have the cash to finance the deals. He estimates that the RTC must be allowed to borrow between \$50 billion and \$100 billion to get the institutions in shape and to entice investors by taking a portion onto its own books.

However, Treasury officials have told Congress that the RTC has enough money to last at least through the end of the second quarter.

The issue is expected to come to a head on Jan. 23 when a variety of administration officials, including Mr. Seidman and Treasury Secretary Nicholas F. Brady, testify before the House Banking Committee.

Money-raising options include borrowing from the Federal Home Loan Bank System, chartering a new agency to sell

See **RTC** page 16

Fine Time to Fall in Line with the Prime

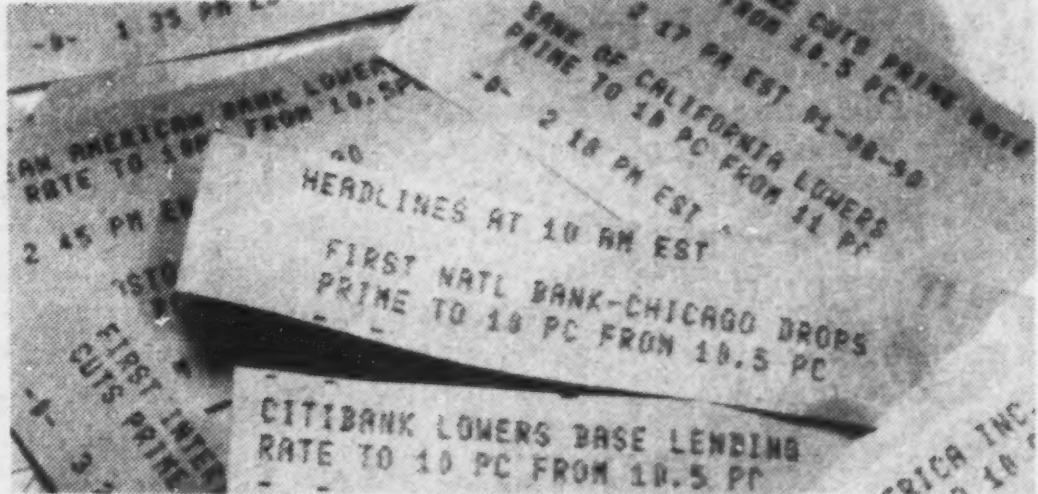
By TOM LEANDER

NEW YORK — At 8:45 a.m. on Jan. 8, the doors swung open in the 9th floor conference room at First National Bank of Chicago headquarters, and senior management told public relations to spread the news: The bank would cut its prime rate to 10% from 10½%.

The race was on.

Within hours, 30 of the nation's largest banks had jumped into what may be the greatest game of follow-the-leader in American business: changing the prime rate.

Touched off by news services, that link the financial world, such as Dow Jones and Reuters, a typical scene unfolded in banks across the nation. As the news that First Chicago had dropped the prime flashed across computer screens in bank trading rooms and executive offices, hasty meetings were called among



SPREADING THE NEWS: Banks may rush to follow the leader when the ticker reveals that one has cut its prime rate.

credit committee officers, resulting in the cascade of announcements.

But this round of cuts had an extra air of suspense. Banks had held fast to a 10½% prime rate even though the Federal Reserve Board had allowed the rate on federal funds — or the rate at which banks lend to each other — to ease several times since October. While a cut in the prime could have occurred anytime since Thanks-

giving, based on historical spreads over fed funds, banks were just as glad to eke out profits off the higher interest rates.

Now that First Chicago had spoiled the party, everyone waited to see which major bank would follow its lead — and start the stampede.

One factor made the proceedings especially tense: No

See **FINE** page 14

OUR NEW LOOK

This is the first issue of the redesigned *American Banker*. It includes many new departments and columns, including a full page of bank and thrift stock quotes.

For a full description of the changes and their purpose, please see page 4.

PEOPLE in the news...

Cleveland Fed Chief Waves Ax at Deposit Insurance

With deposit-insurance reform emerging as one of the hot industry topics, central bank hardliner **Lee Hoskins** is on the stump, pushing his free-market ideas on a system many consider a 57-year-old dinosaur.

Among several reforms the president of the Federal Reserve Bank of Cleveland is promoting in speeches and press interviews is the cutting of deposit insurance from \$100,000 to \$25,000 per account to curb the government's risk.



Lee Hoskins

That concept is industry heresy, at least to community bankers convinced any cut in insurance coverage will induce depositors to withdraw funds en masse. But there is no longer any denial that some kind of reform is absolutely critical.

Energized from a recent week of skiing at Breckenridge in Colorado, the 48-year-old economist said in an interview that he is unperturbed by critics who pan him as the Federal Reserve's equivalent of Don Quixote.

In fact, he has relished the volume of mail — which ran 5-to-1 against his recommendations — that he received following a recent speech he delivered at a meeting of the Pennsylvania's community bankers association.

"I'm trying to cast this as a broader regulatory reform issue," said Mr. Hoskins, who served as chief economist in Pittsburgh for PNC Financial Corp. before joining the Cleveland Fed in October 1987.

An Invitation to Recklessness

He and others point out that moving the deposit insurance ceiling to \$100,000 in the early 1980s enabled untested and unscrupulous management of savings and loan associations to attract billions of dollars in deposits that were then squandered on bad loans and sometimes fraudulent deals.

Asked why he is taking such a high profile, Mr. Hoskins, who lives with his wife in Gates Mills, Ohio, said "Our intent here is to raise the profile of reform. It's a very important issue."

Arguably, Mr. Hoskins is simply ahead of the debate curve on deposit insurance. Even the Fed hasn't taken a position on how to update the federal deposit insurance system — despite Mr. Hoskins' strong opinions and willingness to share them with his Fed peers.

Eventually, the central bank will forward some thoughts on reform of insurance to the Treasury Department, which is required by the thrift law to issue its own study of the deposit insurance system no later than early 1991.

— Robert Trigaux

First Interstate Executive Shifts From Plum to Tough Assignment

In trading the top job at First Interstate Bancorp's Washington State subsidiary for the same position at the bank company's troubled Arizona unit, William S. Randall is leaving one of the nation's most ebullient banking markets to take the helm of another unit in one of the most depressed.

Mr. Randall, 49, was named Thursday chairman and chief executive officer of First Interstate Bank of Arizona, marking a return to the bank where he worked from 1969 to 1981. He replaces Robert H. Duckworth, who had open heart surgery in November.

Mr. Duckworth announced last week he would take early retirement but will remain associated with the bank as a senior adviser.

During Mr. Randall's eight years as its CEO, the Washington bank established itself as one of the most profitable units in the First Interstate system.

For 1989, the \$3.4 billion-asset institution will report earnings of nearly \$50 million and a return on assets of 1.45%, company officials say, making it one of the best performing banks in the hot Washington state market.

By contrast, the \$6.6 billion-asset Arizona bank, mired in real estate woes like most other lenders in the state, recorded a net loss of \$156.1 million for the first nine months of 1989.

An Energetic Manager

Mr. Randall, who served during the 1960s on the staff of the Federal Reserve Bank of San Francisco, is described by colleagues as an energetic, hands-on manager.

In Arizona, he will have his managerial hands full immediately. Analysts note that forthcoming federal asset sales of troubled thrifts may make the state's real estate market even more unpredictable than it is now.

Mr. Randall won't have much time to settle into his new job. He will have as one of this first orders of business deciding how to dispose of First Interstate's bad real estate holdings in the midst of extremely volatile conditions.

— Sam Zuckerman

Strict Capital Rules Sink Atlantic Financial

Pennsylvania Thrift Seized When It Fails to Meet New Requirements

By JEFFREY KUTLER

NEW YORK — Atlantic Financial Federal, one of the highest-flying thrift institutions of the 1980s, succumbed last week to regulatory pressures that mounted as it became clear that it could not meet the industry's more stringent capital requirements.

The Bala Cynwyd, Pa., thrift was seized by the Office of Thrift Supervision and placed in the Resolution Trust Corp. conservatorship program. The institution reopened as Atlantic Financial Savings, with a federal thrift charter, 78 branches, \$5.8 billion in assets, and regulators in the executive suite.

Atlantic, the largest of six institutions seized last Thursday, brought to 290 the number of thrifts under government control pending selloffs or other resolution of their holdings.

The new management at Atlantic Financial, led by RTC managing agent Joseph G.

Hynes, quickly issued a statement to assuage depositors' concerns about Atlantic's stability.

"We will continue to maintain our regular hours," said Mr. Hynes, a 42-year-old Louisianan and former banker who has supervised several RTC conservatorships. "We're still going to be making mortgage loans, and deposits up to \$100,000 will continue to be federally insured."

Subsidiaries Not Affected

Atlantic Financial subsidiary operations in West Virginia, Nevada, and California were not affected by the regulatory action, Mr. Hynes said.

At yearend 1988, Atlantic had \$176 million in credit card loans to rank 16th among thrifts in that category, and \$1.1 billion in total consumer loans. Depending on an assessment of credit quality, major retail banks across the country may consider buying those portfolios from the RTC.

Atlantic Financial's demise

became almost certain on Dec. 6, when Donald R. Caldwell, the former chief executive officer, announced a \$161.1 million loss for the fiscal year that ended Sept. 30. Mr. Caldwell admitted that the company could not meet the core, tangible, and risk-based capital standards and was likely to be taken over by regulators.

To cut back its operations and raise cash, Atlantic agreed to sell nine branches in northeastern Pennsylvania with \$250 million in deposits to First Eastern Bank, Wilkes-Barre, and six branches in the Los Angeles area with \$170 million in deposits to Columbia Savings and Loan Association, Beverly Hills.

The 1989 fiscal year, which ended Sept. 30, was the first in which Atlantic suffered a net loss. Of the \$161.1 million of red ink, or \$39.33 per primary share, \$78.3 million or \$18.78 per share was lost in the fourth fiscal quarter. □

Maryland Bill May Speed Phaseout of S&L Agency

By BILL ATKINSON

WASHINGTON — A bill that is expected to be introduced into the Maryland General Assembly this session would speed up the process of dissolving the state's 29-year-old savings and loan regulatory and chartering body.

Maryland is following the lead of a number of states that have one oversight agency to charter and regulate savings and loans and banks. Even on the federal level, legislation will be introduced to eliminate the Office of Thrift Supervision.

The bill "is definitely under discussion," said Joseph Owens, deputy secretary of the Maryland Department of Licensing

and Regulation, an umbrella department that oversees all regulatory boards.

Under Maryland law, the Division of Savings and Loan Associations is to be phased out in 1992, but the state is trying to dissolve it more quickly because there are only seven state-chartered thrifts left in Maryland and three have already applied for federal charters.

In 1986, Maryland rewrote its law governing S&Ls after the state's thrift crisis in 1985, which stemmed from the collapse of a private deposit insurance system. At that time, there were 115 state-chartered S&Ls with \$4 billion in assets.

A forerunner to the Financial Institutions Reform, Recovery,

and Enforcement Act of 1989, the Maryland law put strict limits on the amount of money S&Ls could lend out of state, increased examination fees, limited insider loans, and required all state-chartered S&Ls to get federal charters or merge with an institution that already had one.

Correction

Due to an editing error, J.P. Morgan & Co.'s per-share earnings in the fourth quarter were reported incorrectly in a Jan. 12 story ("J.P. Morgan's Earnings Drop Below Analysts' Expectations," page 1). Morgan earned 81 cents a share. □

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EDITOR'S NOTE

The 'New' American Banker

Dear Reader,

You have seen a number of new features in the *American Banker* in recent months, including additional columns and greater use of graphics and photography. Today, we are completing the introduction of a total redesign of our 154-year-old newspaper.

All of this stems from a thorough look at the needs of our readers and the changing dimensions of the banking industry. It began about a year ago with a Booz, Allen & Hamilton survey that included interviews with more than 1,000 past and present subscribers and continued throughout 1989 in meetings with banking industry experts.

Driving the process was our own journalistic sense of getting off the mark faster to deliver banking news first and with the most insightful analysis.

A further aim of the redesigned paper is to help readers find what they want to read with greater ease. In short, we want to give them a faster way to get through the paper and to make it more enjoyable in the process.

The result is more than a dozen new columns and daily departments for consumer, international, technology, and financial news.

Under the guidance of newspaper designer Robert Lockwood, the *American Banker* also has a new look. Reflecting the faster pace of the industry itself, the paper has shifted from a four-column to a five-column format.

And to give greater attention to news analysis and feature stories, the advertisement space that has been allocated at the bottom of page 1 for more than a century has been eliminated in favor of giving readers more editorial material.

Among the added sections, Finance, which begins on the back page, is especially new. For the first time, the *American Banker* is carrying closing prices of bank and thrift stocks, including a recalculation daily of the market price-to-book ratio.

The Finance section also contains a daily bank stocks column and a daily capital column that tracks how banks are funding

their assets and raising long-term capital. The Deals column is a shortened moniker for "Inside Financing," the column begun a few months ago to track corporate lending.

**All these
changes are in
keeping with the
dynamic role that
the banking
community is
playing.**

The segmentation of the paper into departments, an expanded Inside News column on page one, a company index on page two, the use of much more art, and the introduction of several human interest columns are ways we have devised to meet the goal of becoming, in the terminology of product designers, more user friendly.

All these changes are, we believe, in keeping with the dynamic role that the banking community is playing in the consumer, corporate, and politi-

cal worlds. They also reflect the changing parameters of the banking business itself as banking becomes more of a generic name for any financial institution that borrows, lends, and serves as a money intermediary.

Throughout this period of changing the *American Banker* over recent months, we attempted to adhere to the mission statement we wrote early in the process. Among the standards we set out then were "to deliver in-depth banking news and analysis to America's bankers - to alert and inform them, every day, about the most significant events affecting their business."

Help in Decision-Making

Further, we said: "Our goal is to help our readers make the decisions that will enable their organizations to survive and prosper in the fast-changing competitive environment of today's global financial services industry."

The shelf life of any edition of a daily newspaper is, by design, short. But if, day after day, it informs, delights, and challenges the minds of its readers, it delivers value from one generation to the next. That, we hope, will be the lasting measure of this redesign.

Fred Bleakley, Editor

CRIME BLOTTER/By Tom Leander

Transfer Fraud Artist Nabbed in Hong Kong

A bank trainee earning \$10,000 a year swindled Britain's Barclays Bank PLC out of nearly \$2.5 million by exploiting loopholes in the bank's automated cash-transfer systems.

The bank did not spot the scam for a year, by which time Stephen Hedges, 23, had departed to fly first-class around the world.

Mr. Hedges, an economics student, joined Barclays in the City of London in 1986. He was given the job of moving funds for major corporations and institutional investors, a London court learned.

In his ploy to cheat the bank, the clerk created a company called Pharmogen and opened an account for it at the rival National Westminster Bank PLC.

He then filled out loan requests for various legitimate companies and got them authorized by his superiors. He next altered the paperwork so that the funds went to Pharmogen through the bank's automated systems.

Mr. Hedges repeated his swindle five times. The biggest hit, in August 1987, amounted to \$1 million. Two days later he resigned, telling colleagues he wanted to travel the world.

Barclays' audits finally exposed the fraud, and Mr. Hedges was arrested in Hong Kong, where detectives found two bags containing \$1.5 million worth of \$100 bills.

London's crown court sentenced Mr. Hedges to three years in prison. Because he has already spent six months in custody, he could be released on parole next year.

— John Evans

FBI Blames Drug Ring For Bank-Heist Wave

A heroin and cocaine ring was partly to blame for the record number of bank robberies in California's Ventura County in 1989, according to the county's top FBI agent.

FBI agent Gary Auer said at least four drug addicts were responsible for more than 20 of the 76 bank robberies in the county last year. He said the addicts were ordered to carry out the robberies by the head of a local drug ring as a way to support their habits.

According to Mr. Auer, the four suspects said they were getting their instructions from the same dealer, whose identity they would not reveal.

Mr. Auer expressed hope that the unidentified ringleader may have been apprehended in the first week of January, during a sweep of local drug dealers, but he said this has not been determined.

Wigged Bank Bomber Charged in Baltimore

A man dressed in a wig and a woman's coat robbed a Baltimore branch of MNC Financial Inc.'s Maryland National Bank, then exploded a bomb in the bank as he fled, according to Baltimore police.

Lloyd Dickerson, 36, of Baltimore, appeared before U.S. Magistrate Daniel Klein Jr. He was indicted Jan. 4 on federal bank robbery charges.

Police have also confirmed that the suspect recently completed a prison term for slaying his grandmother.

The indictment accuses Mr. Dickerson of wearing a wig and woman's coat when he gave a

teller a holdup note written on a matchbook.

He also allegedly lobbed a homemade bomb behind him as he left. The bomb shattered a front window and damaged cars, but no one was injured.

* * *

S&L Directors to Pay For Spending Spree

Federal regulators will seek stiff prison terms for two former savings and loan directors who squandered \$500,000 when they were supposed to be making restitution of \$1.5 million on an earlier bank-fraud conviction.

Officials of the Federal Deposit Insurance Corp. said they would ask a federal judge to impose "significant prison sentences" on Jan. 22 for brothers Leif and Jay Soderling, former directors of Golden Pacific Savings and Loan Association in Santa Rosa, Calif.

Jack Smith, deputy general counsel for the FDIC, said the judge needs to send "a strong message to anyone contemplating fraud that we will not tolerate this kind of criminal conduct and contempt."

The Soderlings were convicted in December of going on a \$500,000 spending spree at the same time they claimed they could not pay \$1.5 million they owed in restitution to the FDIC as the result of a previous bank fraud conviction.

The brothers were directors and shareholders of Golden Pacific when it was closed by federal regulators in May 1985. The two served eight months in halfway houses.

* * *

Bogus Bomb Forces Evacuation of Bank

A fake bomb left on a desk by a would-be robber forced the evacuation of about 20 people from a Security Pacific National Bank branch in Hollywood,

Calif. on Jan. 5, according to police.

Dressed casually in a sport coat and polo shirt, a man entered Security Pacific Corp.'s branch of on Sunset Boulevard at about 2 p.m. and asked for a \$35,000 loan. After discussing the loan for about a half hour with a bank employee, the man pulled out a red box and threatened to blow up the bank unless he got the money, police said.

The man fled when the employee went to the bank vault. No money was taken and employees were allowed to return in about an hour. Police found crumpled newspapers in the box.

* * *

Michigan Bank Robber To Be Tried for Murder

A man charged with kidnapping four bank employees and killing one of them when he ran over her with his car must stand trial for murder, a judge ruled this week.

William McAlister, 21, allegedly robbed the First Federal Bank of Michigan to get money to pay his college tuition.

Mr. McAlister is accused of robbing a First Federal branch on Sept. 26 and kidnapping four bank employees. The employees were taken to a rural site, where they were forced to lie on the ground. One of the workers, Marilyn Parks, was killed when Mr. McAlister allegedly drove over her with his car.

Mr. McAlister was picked up later that day and the \$46,000 taken in the robbery was recovered. Police say that Mr. McAlister has already confessed to the bank robbery.

According to police, he planned to use the money to pay his tuition at Andrews University, a Seventh-Day Adventist school in Berrien Springs, Mich., where Mr. McAlister was to begin his sophomore year. □

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One State Street Plaza, New York, N.Y. 10004
212-943-6700

Editor: Fred R. Bleakley

Managing Editor: Thomas J. Ferris
Asst. Managing Editor: Jeffrey Kutler
Washington Bureau Chief: Robert Trigaux
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S&L RESCUE UPDATE

Thriffs Being Acquired by Banks Under Bailout Law

Listed geographically by acquired thrift and announced date of acquisition agreement

	Name of acquiring bank, city, state Name of acquired thrift, city	Announcement Date	Inst. Type ¹	Total Assets ² \$ MIL.	Premium/Deposits ^{3,4} (%)	Price/Book ⁵ (%)	Price/Earnings ^{6,7} (%)	Deal Type
California	US Bancorp, Portland, Ore. Mother Lode Savings Bank, Sacramento ⁶	11/3/89	Com Stk	15,974 107	0.86	1.17	10.64	Acquisition for cash or stock of a sound, stock thrift institution.
	First American Bank, Rosemead, Calif. First California Savings FSA, Orange	9/22/89	Com Mut	118 136	0.02	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Olympic National Bank, Los Angeles City Savings & Loan Assn., Westlake Village	8/25/89	Com Stk	83 32	0.75	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Bank of Industry, City of Industry, Calif. Perpetual Savings Assn. FS&LA, Santa Ana	8/25/89	Com Mut	222 276	0.5	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
Florida	First Florida Banks, Inc. Tampa Mid-State Federal Savings Bank, Ocala	11/27/89	Com Stk	5,256 1,017	0.00	1.00	33.01	Acquisition for cash or stock of a sound, stock thrift institution.
	NCNB National Bank of Florida, Tampa Freedom Savings & Loan Assn., Tampa	10/13/89	Com Stk	11,145 1,082	3.67	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	NCNB National Bank of Florida, Tampa Southern Floridabanc FS&LA, Boca Raton	10/06/89	Com Mut	11,145 137	0.04	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Citizens and Southern National Bank of Fla., Ft. Lauderdale Liberty FS&LA, Port Richey	8/10/89	Com Mut	6,194 55	1.22	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
Georgia	First National Bank, Commerce, Ga. Habersham Federal Savings & Loan Assn., Cornelia	9/21/89	Com Stk	69 91	1.44	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
Hawaii	Bancorp. Hawaii, Inc., Honolulu ⁷ FirstFed America, Inc., Honolulu ⁶	11/10/89	Com Stk	6,562 874	6.34	1.49	14.98	Acquisition for cash or stock of a sound, stock thrift institution.
Idaho	Security Pacific Corp., Los Angeles Mountain West Savings Bank, Coeur d'Alene ⁶	11/3/89	Com Stk	87,027 328	5.66	1.71	152.91	Acquisition for cash or stock of a sound, stock thrift institution.
Indiana	First of America Banking Corp., Kalamazoo, Mich. ⁷ Shelby Federal Savings Bank, Indianapolis ⁶	12/19/89	Com Stk	9,745 192	4.31	1.56	16.12	Acquisition for cash or stock of a sound, stock thrift institution.
	First Financial Corp., Terre Haute, Ind. Fidelity Federal Savings Bank, Marion	12/1/89	Com Stk	819 84	1.11	1.07	22.47	Acquisition for cash or stock of a sound, stock thrift institution.
	CNB Bancshares, Evansville, Ind. ⁷ Valley Federal Savings Bank, Terre Haute	9/29/89	Com Stk	1,259 245	(1.14)	0.83	153.09	Acquisition for cash or stock of a sound, stock thrift institution.
Kansas	Garden National Bank, Garden City, Kan. Colonial Savings Assn. of America, Liberal	9/22/89	Com Stk	112 56	0.17	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Bank IV of Coffeyville NA, Kan. First Federal Savings & Loan Assn., Coffeyville	8/18/89	Com Mut	105 73	0.84	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
Louisiana	Hibernia National Bank, New Orleans River City Federal Savings Bank, Baton Rouge	10/6/89	Com Stk	6,135 57	0.6	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Hibernia National Bank, New Orleans First Savings of Louisiana FSA, La Place	9/15/89	Com Mut	6,135 24	0.52	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Whitney National Bank, New Orleans Enterprise Federal Savings & Loan Assn., Marrero	9/8/89	Com Stk	2,518 56	0.11	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	First National Bank of Commerce, New Orleans Elmwood Federal Savings & Loan Assn., Harahan	9/8/89	Com Mut	2,773 53	0.73	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Hibernia National Bank, New Orleans Evangeline FS&LA, Lafayette, LA	8/18/89	Com Mut	6,135 38	0.29	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
Michigan	First of America Banking Corp., Kalamazoo ⁷ PrimeBank, FSB, Grand Rapids ⁶	11/16/89	Com Stk	9,745 402	3.91	1.63	12.55	Acquisition for cash or stock of a sound, stock thrift institution.
Nebraska	First National Bank & Trust Co., North Platte Nile Valley Federal Savings & Loan Assn., Scottsbluff	9/15/89	Com Stk	91 50	1.29	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
New Jersey	Citizens First Bancorp., Glen Rock ⁷ Lakeland First Financial, Succasunna ⁶	10/24/89	Com Stk	2,693 281	4.30	1.25	13.23	Acquisition for cash or stock of a sound, stock thrift institution.
New York	First Glen Bancorp. Inc., Glens Falls ^{7,8} Champlain Valley Federal S&L Assn., Plattsburg ⁶	11/3/89	Com Mut	702 196	NA	NA	NA	Acquisition for cash or stock of a sound, stock thrift institution.
North Carolina	BB&T Financial Corp., Wilson ^{7,9} First Fed. Svgs. Bank of Pitt County, Greenville ⁶	10/24/89	Com Stk	4,549 141	5.66	1.77	11.07	Acquisition for cash or stock of a sound, stock thrift institution.
	Southern National Corp., Lumberton Mutual Federal Savings & Loan Assn., Elkin	10/15/89	Com Stk	2,787 129	6.47	1.35	17.99	Acquisition for cash or stock of a sound, stock thrift institution.
	First Citizens BancShares, Raleigh Catawba SavShares, Inc., Charlotte	10/1/89	Com Stk	3,583 268	(0.58)	0.83	7.97	Acquisition for cash or stock of a sound, stock thrift institution.
	NCNB, Charlotte Great Atlantic Savings Bank, FSB, Manteo	9/15/89	Com Stk	17,257 110	0.35	...	...	Assisted supervisory transaction (a so-called "clean bank" transaction).
	Southern National Corp., Lumberton Western Carolina Saving & Loan Assn., Valdese	9/15/89	Com Stk	2,787 76	7.37	1.36	14.78	Acquisition for cash or stock of a sound, stock thrift institution.
	Peoples Bancorporation, Rocky Mount ⁷ Watauga Savings & Loan Assn., Boone ⁷	8/24/89	Com Mut	1,287 128	...	...	...	An unassisted supervisory conversion.
	BB&T Financial Corp., Wilson Carolina Bancorp., High Point	5/24/89	Com Stk	4,549 316	2.38	1.26	13.23	Acquisition for cash or stock of a sound, stock thrift institution.
Ohio	First Bancorp of Ohio, Akron Peoples Savings Bank, Ashtabula	12/15/89	Com Stk	3,242 299	1.28	1.34	5.14	Acquisition for cash or stock of a sound, stock thrift institution.
	MidAm Inc., Bowling Green ^{7,8} Home S&LA, Defiance ⁶	11/10/89	Com Stk	624 210	NA	NA	NA	Acquisition for cash or stock of a sound, stock thrift institution.
	Park National Corp., Newark ⁷ Mutual Federal Savings Bank, Zanesville ⁶	11/10/89	Com Stk	747 361	(3.70)	0.48	NA	Acquisition for cash or stock of a sound, stock thrift institution.
	MidAm Inc., Bowling Green ⁷ Citizens Loan & Building Co., Lima	9/14/89	Com Stk	624 124	(0.34)	0.87	2.74	Acquisition for cash or stock of a sound, stock thrift institution.
	National City Corp., Cleveland Gem Savings Association, Dayton	7/3/89	Com Mut	21,623 1,557	...	...	...	An unassisted supervisory conversion.
	BancOne Corp., Columbus Home Federal SB of Northern Ohio, Lakewood	5/3/89	Com Stk	25,153 329	2.03	1.34	9.43	Acquisition for cash or stock of a sound, stock thrift institution.

Data Source: Data provided by BEI Golembe, Inc., Washington, D.C. from its Deals Database. (1)—Institution Type: Com= commercial banking organization; Stk= stock savings institution; Mut= mutual savings institution. (2)—For deals where the target thrift has less than \$500 million in total assets, balance sheet data are as of June 30 or December 31 preceding the date of announcement (application) except as noted. In transactions where the target thrift has total assets of \$500 million or more, balance sheet data are as of the quarter preceding the date of announcement except as

noted. (3)—Price minus book divided by total deposits. (4)—Price is valued as of application date, except in deals where the target had total assets greater than \$500 million in which case price is valued at announcement date. (5)—Income is net income before securities transactions and is for the full calendar year prior to the announcement (application) date for deals where the target had less than \$500 million in assets, except as noted. If the target had more than \$500 million in assets, net income is for the trailing four quarters preceding the date of announcement, except as noted. (6)—Balance

sheet data as of 6/30/89. (7)—Balance sheet data as of 3/31/89. (8)—Terms not disclosed. (9)—BB&T will issue 1.75 shares of common stock for each of the 388,500 outstanding shares of First FSB common stock. First FSB agreed conditionally to give BB&T an option to purchase 128,000 shares of its authorized stock at \$26 per share. (10)—Plans to convert Central into a bank subsidiary. NA—Not available.

Source: BEI Golembe Inc.